

SECRET
EYES ONLY

27 August 1958

MEMORANDUM FOR THE RECORD

SUBJECT: Resume of OCB Luncheon Meeting, 27 August 1958

PRESENT: Mr. Allen, Mr. Dulles, Mr. Gray, Mr. Harr,
Mr. Herter, Mr. Irwin, Mr. McCone, Mr. Smith,
Mr. Staats

1. Exchange of Exhibits with the USSR

The Board was informed that representatives of the USSR have now indicated that they are able to negotiate for an exchange of exhibits with the U. S. only for the year 1959, the implication being that Gorki Park will not be available in 1960. The Board noted that it had previously agreed in principle to the desirability of participating in an exhibit in Moscow in 1960, and recognized that moving this date up to 1959, on such short notice presents major problems.

It was agreed that the Director of USIA would have the primary operational responsibility for such an exhibit and that he would explore further the possibility of obtaining funds for 1959. It was also agreed that Mr. Lacy, who was scheduled to talk with Soviet representatives that day, should discuss this change in date. It was felt that Lacy should not allow the hand of the U. S. to be forced in this connection.

2. U. S. Bases Overseas

This matter, which had been discussed at the previous week's meeting, was deferred for further examination at the meeting of September 3.

3. Announcement of Final Shots in Series

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The Board then discussed a draft of a press release, intended for joint issuance by the AEC and the Department of Defense,

NSC review(s) completed.

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announcing plans for the final shots in the 1958 nuclear testing program. It was decided the announcement should be deferred to allow consideration of what effect it might have on the program outlined by the President on August 22, calling for negotiations leading to a cessation of nuclear tests. The hope was expressed that this announcement could be made without involving an undue amount of publicity. In this connection, it was seriously questioned whether it would be advisable to include any reference to the proposed underground tests.

Mr. McCone said that he believes the proposed laboratory demonstration scheduled for this autumn, which is designed to show progress in the development of weapons with reduced fallout, should be continued. The group agreed.

4. Possible Launching of a Satellite by Communist China

The Board then discussed briefly the suggestion by CINCPAC which was designed to counter the propaganda value of Red China's possible launching of an earth satellite from its territory. It was decided that this suggestion should be taken into account by the working group which is preparing a report on this general subject.

5. Possible Aid to Yugoslavia for Building Fertilizer Plant

In connection with Mr. Smith's impending visit to Yugoslavia, the group discussed the opportunities that might exist in connection with the Soviet cancellation of aid to that country. Specifically, Mr. Smith asked whether the Board felt the U. S. should offer assistance in completing the fertilizer plant which the Russians had promised. It was agreed that it would be a worth-while endeavor from the point of view of U. S. interests to pick this project up, provided that we could be assured that we could do a good job on it.

ALLEN W. DULLES
Director

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Remarks:					
I was able to debrief the DCI only shortly before he left on his trip and consequently there was no opportunity for him to see the minutes. However, there is nothing controversial about them and I doubt that you would want to hold them for his signature. He will no doubt have more important things to do when he returns.					
25X1 T. A. Parrott					
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